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KIMBERLY J. HUSTED

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA

In re:

KENNETH WAYNE CHANDLER and
CYNTHIA MARIE CHANDLER,

Debtors.

NO: 18-27218-B-7

DC No.: BLF-002

**APPLICATION FOR ORDER
AUTHORIZING EMPLOYMENT OF
REED BLOCK OF REED BLOCK
REALTY AS REALTOR FOR THE
TRUSTEE**

(No Hearing Required)

Chapter 7 Trustee Kimberly J. Husted respectfully requests authority to employ Reed Block of Reed Block Realty in Gold River, California ("Reed Block") to assist the Trustee in valuing, marketing, and possibly listing for sale the estate's interest in the real property located at 21985 Hearthstone Way, Palo Cedro, California (the "Property"), which is property of the bankruptcy estate.

The Trustee believes that employing Mr. Block is in the best interests of creditors and the estate and should be approved pursuant to 11 U.S.C. § 328, as follows:

1. The Debtors filed this case on November 15, 2018, and Kimberly J. Husted is the Chapter 7 Trustee. (Doc. No. 1).

2. In their Schedules, the Debtors disclosed the Property as follows: "12.5 interest" in "12985 Hearthstone Way, Redding, CA 96003-0000" with a value of \$0.00. The Debtors also disclosed that "Debtor is the beneficiary to life estate with 4 other family members.

1 Debtor's step-father is a remainderman." Debtor did not disclose any liens on the Property and
2 did not claim the Property exempt. (Doc. No. 1).

3 3. Ms. Husted obtained from the Debtor the Last Will and Testament of Anna
4 Lewella Doelker, Debtor's mother, dated February 26, 2004, which left her estate to her daughter,
5 Karen Colleen Fields, and her son, Kenneth Wayne Chandler, equally. (Husted Decl., ¶ 2; Ex. A).

6 4. Ms. Husted also obtained from the Debtor an Estate Distribution Agreement,
7 dated September 23, 2015, which states, among other things, the following:

8 a. Anna Lewella Doelker died on November 17, 2013;

9 b. Anna Lewella acquired the real property commonly known as 21985
10 Hearthstone Way, Palo Cedro, California, prior to her marriage to Albert H. Doelker. The Property
11 remained solely in Anna Lewella Doelker's name at the time of her death.

12 c. During the marriage of Anna Lewella Doelker and Albert H. Doelker, Albert
13 H. Doelker used his own separate property funds to improve the property;

14 d. Karen C. Fields survived Anna Lewella Doelker by over thirty days but
15 subsequently dies. The beneficiaries of the Estate of Karen C. Fields are her children Jeffery D.
16 Wilson, Julie A. Donegan, Lisa D. Wilson and Thomas L. Fields, in equal shares.

17 e. Albert H. Doelker, Kenneth Wayne Chandler, Jeffery D. Wilson, Julie A.
18 Donegan, Lisa D. Wilson and Thomas L. Fields, desired to resolve their disputes regarding
19 distribution of the Property by agreeing that a life estate in the Property shall be distributed from
20 the Estate of Anna Lewella Doelker to Albert H. Doelker "and the remainder interest in the
21 Property shall be distributed one-half to Kenneth W. Chandler and one-eighth each to each of
22 Jeffery D. Wilson, Julie A. Donegan, Lisa D. Wilson and Thomas L. Fields. (Husted Decl., ¶ 3;
23 Ex. B).

24 5. Thus, Ms. Husted believes that the Debtors' interest in the Property is a 50%
25 remainder interest subject to the life estate of Albert H. Doelker. (Husted Decl., ¶ 4).

26 6. Ms. Husted requires the professional services of a licensed real estate
27 professional to act as the estate's agent in connection with valuing, marketing, and possibly
28 listing the estate's interest in the Property for sale. (Husted Decl., ¶ 5).

1 7. Reed Block is a real estate broker licensed by the State of California, license
2 number 01238049. Reed Block has conducted an initial investigation of the Property and has
3 substantial experience in the marketing and sale of real estate in Northern California where the
4 Property is located. In addition, Mr. Block has substantial experience working with Chapter 7
5 Trustees in the marketing and sale of real estate in connection with a bankruptcy case. (Block
6 Decl., ¶ 2; Ex. C).

7 8. Ms. Husted wishes to employ Reed Block at his regular billing rate, which is
8 currently \$110.00 per hour, for his consulting services if Ms. Husted decides not to list the
9 Property for sale. Ms. Husted believes the hourly rate is within the range of customary and
10 reasonable consulting fees charged and paid in the area for services of this type. (Block Decl.,
11 ¶ 3; Husted Decl., ¶ 6).

12 9. In addition, if Ms. Husted decides to list the Property for sale, Ms. Husted will
13 enter into a Residential Listing Agreement for Mr. Block to list and market the Property for sale.
14 (Block Decl., ¶ 4; Husted Decl., ¶ 7).

15 10. Under such listing agreement, Mr. Block shall earn a commission of six
16 percent of the gross sales price of the Property, subject to Bankruptcy Court approval.
17 Ms. Husted believes the commission is within the range of customary and reasonable realtor fees
18 charged and paid in the area for properties of this type. (Block Decl., ¶ 4; Husted Decl., ¶ 7).

19 11. Ms. Husted will seek approval of Mr. Block's commission percentage as
20 compensation at the same and in conjunction with her motion for court authorization to sell the
21 Property. Further, Ms. Husted will seek court approval of Mr. Block's consulting fees, if any, upon
22 her determination whether to sell the Property. Mr. Block acknowledges that professional fees
23 and expenses are subject to approval by this Court pursuant to 11 U.S.C. § 328. (Block Decl.,
24 ¶ 5; Husted Decl., ¶ 8).

25 12. Reed Block is a disinterested person, as that term is defined in 11 U.S.C.
26 Sections 327(a) and 101(14), as Reed Block does not represent or hold any interest adverse to
27 the Debtors or to the estate and:

28 (i) are not creditors, equity security holders, or insiders of the Debtors;

(ii) are not and were not, within two years before the date of the filing of the petition, directors, officers, or employees of the Debtors;

(iii) do not have an interest materially adverse to the interest of Trustee, the estate, or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors or Trustee; and

(iv) do not have any connection with the Debtors, the creditors, the Chapter 7 Trustee, the United States Trustee's Office, or any person employed in the United States Trustee's Office, or any other party in interest or their attorneys or accountants. (Block Decl., ¶¶ 6-9).

13. Ms. Husted believes that employing Reed Block on the terms set forth in this Application is in the best interests of the estate and its creditors. (Husted Decl., ¶ 9).

WHEREFORE, Ms. Husted respectfully requests authorization to employ Reed Block to assist her in the valuing, marketing and sale of the Property, and for such other relief as is just and proper.

Dated: September 3, 2019

BAKKEN LAW FIRM

By: /s/ Loris L. Bakken
LORIS L. BAKKEN
Attorney for Chapter 7 Trustee
KIMBERLY J. HUSTED